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ERA PROCEDURES

THE ECONOMIC ESTIMATES FILES
OF THE ECONOMIC RESEARCH AREA
OF THE OFFICE OF RESEARCH AND REPORTS

Number 3

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CENTRAL INTELLIGENCE AGENCY

Office of Research and Reports

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ERA Procedures No. 3
(ORR Project 00.2064)

THE ECONOMIC ESTIMATES FILES OF THE ECONOMIC RESEARCH AREA OF ORR

I. Introduction.

The following procedures are designed to establish uniform standards for maintaining records of estimates* throughout the Economic Research Area (ERA) of the Office of Research and Reports (ORR). These records, known as Economic Estimates Files, provide a central source of up-to-date, authoritative estimates in fields for which the ERA is responsible, as well as a convenient form for maintaining duplicate copies of these estimates in vital storage.**

II. Central Economic Estimates File.

1. The Central Economic Estimates File (hereafter referred to as the Central File) is maintained by the Economic Accounts Section of the Publications Staff (St/PB/A) and constitutes the central repository for the economic estimates concerning the Sino-Soviet Bloc which are made by the Branches of the ERA.

2. Responsibility for supporting the Central File lies with the individual Branches. Each Branch of the ERA will report promptly all estimates or revisions of estimates which result from research by the Branch in the fields listed in 3, below. Before the publication of any regular ORR report, the responsible Branch will submit to the Central File all appropriate estimates which have not been submitted previously. In the case of a contribution from a Branch to a National Intelligence Estimate (NIE), such estimates will be submitted concurrently with the contribution.

3. The following estimates will be maintained in the Central File:

a. Estimates or revisions of estimates made in the course of research on the Sino-Soviet Bloc in the following categories:

* An estimate constitutes the best judgment of the responsible analyst and his supervisors of the magnitude of a specific economic phenomenon. For the purpose of the Economic Estimates Files, an official figure published by the Sino-Soviet Bloc and accepted by the responsible analyst as valid also is considered an estimate.

** These procedures supersede all previous procedures dealing with the Economic Estimates Files.

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Category	Example
Production	Production of coal Production of machine tools
Indexes of production	Total industrial production Production of the chemical industry
Inventory	Inventory of locomotives Number of radiobroadcast receivers in public use Number of cattle
National accounts*	Gross national product National budget
Economic plans	Planned production of electricity (in the coming year and at the end of the current long-range planning period)
Population and labor	Total population Civil labor force (national and by sectors of the economy)
International trade	Total trade turnover Imports and exports (of individual commodities)
Capacity	Storage capacity Refining capacity Productive capacity (by commodity on a national basis)

b. Up-to-date data on the US which were used for comparative purposes in research completed by the Branch.

4. Data reported to the Central File will be in the form of annual national totals. (Other figures, such as data for plants or regions, may be reported when they have special significance or are of timely interest. Such data will be reported as a footnote to an annual national total.) As a minimum, reporting on the principal fields of economic activity in each country of the Sino-Soviet Bloc will contain data for each year under the Communist regime, for the

* See CIA/RR RA-11, ORR Standard Classification of Economic Activities and Factors, 28 January 1957, Part II, pp. 47-52, CONFIDENTIAL.

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peak year before World War II under the pre-Communist regime, and for 1938, if possible.* Data for other years, if readily available, also will be reported.

5. Estimates will be reported to the Central File in accordance with the procedure explained in V, p. 5, below. In particular, attention is called to the detailed instructions on the documentation of estimates as to source, methodology, and reliability.

6. At 4-month intervals, St/PB/A will review all the cards in the Central File, returning to the responsible Branch any cards which appear to need revision. If possible, each Branch will review once a year all cards in its Branch Economic Estimates File (hereafter referred to as the Branch File) and those cards in the Central File for which that Branch is responsible. This review should take place in the spring, when the Branches are preparing their worksheets for the annual revision of CIA/RR RA-12.

7. St/PB/A will keep informed of major official announcements by the Sino-Soviet Bloc pertaining to economic data. The Branches of the ERA, however, still must maintain responsibility for reporting such information whenever it is accepted as the estimate of ORR.

8. The estimate cards will indicate which of the estimates have been agreed to by the responsible subcommittee of the Economic Intelligence Committee (EIC). The Executive Secretary of each EIC subcommittee, as a member of ORR, has the responsibility for submitting to the Central File, through the EIC Executive Secretary, the basic statistics on which his committee has reached agreement. If the estimates have previously been submitted to the Central File, St/PB/A will indicate on the cards already filed that the estimates have been accepted by the EIC. If the estimates have not been submitted to the Central File, the Branch will have the responsibility for designating on the cards the estimates upon which agreement has been reached.

III. Branch Economic Estimates Files.

1. Each Branch of the ERA will establish and maintain a Branch File containing all estimates which are within the area of responsibility of that Branch and which are considered valid. The Branch Files will be arranged for use by other personnel in the absence of the responsible analysts.

* The year 1938 is the only prewar year used in CIA/RR RA-12, Economic Intelligence Statistical Handbook, 26 February 1957, SECRET, and in annual revisions of this research aid.

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2. Details of organization and procedure for the Branch Files will be established by each Division.

3. The Branch Files will contain duplicate copies of all cards containing data on the Sino-Soviet Bloc and on the US which have been submitted by the Branch to the Central File.* In addition to these estimates, the Branch Files should contain the following data:

a. All estimates which are made by the Branch in the normal course of research, including data on the following subjects, if possible:

- (1) Input patterns
- (2) Use patterns
- (3) Prices
- (4) Costs

b. All official figures which have been announced or published by countries of the Sino-Soviet Bloc and which have not been included previously as estimates.

c. Estimates made by other agencies of the US Government and by foreign intelligence agencies and estimates taken from responsible unclassified sources, such as private scholarly studies and newspaper articles by reputable economists or authorities on the country concerned.

4. All estimates in the Branch Files will be documented as to source, methodology, and reliability. Detailed instructions for such documentation are given in V, 2, o, p. 8, below.

IV. Division Estimates Control Officers.

Each Division Chief will designate a senior member of his Division to act as Division Estimates Control Officer. Contributions from the Branches to the Central File may be channeled through the Division Estimates Control Officer if the Division Chief so desires, and problems relating to support of the Central File will be referred to the Division Estimates Control Officer.

The Division Estimates Control Officer will cooperate with each Branch Chief in the preparation and revision, when necessary, of a list of commodities and economic factors for which that Branch will submit estimates to the Central File. This list will be approved by the responsible Division Chief and made available to St/PB/A.

* See II, p. 1, above.

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V. Procedure for Completing Estimates File Record Cards.

1. Every estimate will be entered on a standard Estimates File record card (Form 67, 1 July 1954), which may be obtained from St/PB/A. An example of this card is shown in the figure.* If the estimate falls within the requirements of the Central File,** the responsible Branch will prepare the card in triplicate. Two copies -- one for the Central File and one for vital storage -- will be sent to St/PB/A. The third copy will be retained in the Branch File. In regard to all other estimates, only an original copy for the Branch File is required.

2. An explanation of the use of the spaces on the card follows:

a. ORR Code.

Leave this space blank. The code number from the ORR Standard Classification of Economic Activities and Factors will be filled in by St/PB/A.

b. Classification.

Stamp the appropriate security classification at the top on the front side of the card and also on the reverse side. The highest classification which will be filed in the Central File at present is SECRET/NOT RELEASABLE TO FOREIGN NATIONALS/CONTINUED CONTROL. In order to standardize the cards and to facilitate their use, the following general rules regarding classification are presented as guides.

(1) If possible, the source and classification of each estimate should be given. Then the card should receive the same classification as the source with the highest classification. If a control SECRET/NOT RELEASABLE TO FOREIGN NATIONALS becomes necessary because of the source of only one estimate, all estimates on the card will be so controlled unless their individual sources and classifications are given. Such control obviously prevents general dissemination of any estimate on the card without considerable effort to determine its classification.

(2) When the source of every estimate on the card has been given, it is not necessary to cite both the number and the name of the project in which the estimates were used. It is preferable to cite only the number of the project, thus avoiding the necessity of classifying the card as high as the project.

* Following p. 6.

** See II, p. 1, above.

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(3) The card may be classified higher than any of the sources cited if the methodology used or CIA participation in an estimate warrants higher classification.

c. Area.

Indicate the geographic region; the group of countries; the country; or the political, economic, or administrative subdivision of the country concerned.

d. Type of Estimate.

An estimate which is to be submitted to the Central File will be classified according to the categories listed in II, 3, a, p. 1, above.

Estimates to be included in the Branch Files should include categories not included in the Central File as shown in III, 3, a, p. 4, above.

e. Originating Organization.

List the source of the estimate, such as CIA, JIB, Soviet official, RAND, or New York Times. Submit to the Central File only those estimates which have been adopted by CIA.

f. Name, Branch, Extension.

List the name of the responsible analyst, the designation of his Branch, and his telephone extension.

g. Subject.

Specify the commodity, the industry, the service, or other activity being estimated (including grade, composition, or other necessary qualifications). If more precise definition is needed, use the back of the card.

h. Date or Time Period.

Give the year or the period of years covered by the estimate.

i. Date of Entry.

Give the date on which the card was prepared.

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Estimates File Record Card

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j. Unit of Measure.

Give the physical or monetary unit of measure used.

k. Branch Chief.

If the card is to be sent to the Central File, give the initials of the responsible Branch Chief, indicating that he has approved the estimate and its documentation and that he believes that the estimate properly belongs in the Central File.

l. Division Estimates Control Officer.

If the card is to be sent to the Central File, give the initials of the Division Estimates Control Officer, provided the estimate has been channeled through him and approved by him.

m. Cross Reference.

Leave this space blank for the use of St/PB/A.

n. Estimate.

Fill out the four columns in accordance with the following instructions:

(1) List the year or period of years covered by the estimate, the range of error (if applicable), and the date on which the estimate was made if it differs from the date of the entry. When several years are covered, enter this information for each year.

(2) Include as estimates only national annual totals.

(3) Each estimate filed may be accompanied by a statement as to its reliability or relative accuracy. The reliability of an estimate may be expressed in terms of an estimated margin of error to which the reported figures are subject -- for example, plus or minus 10 percent; plus 20 percent, minus 5 percent; or the like. Whenever the use of statistical techniques permits, the estimated margin of error should be calculated so as to assure that the odds are 19 in 20 (a probability of 95 percent) that the actual figure falls within the estimated margin of error. When the data used are not such as to permit the computation of a statistically accurate margin of error, subjective judgments may be used to calculate the estimated margin of error (with a probability of 95 percent).

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(4) Two types of errors that should be considered in determining the estimated margin of error are (a) those arising from the nature of the data employed and (b) those arising from the method of manipulation of the data. If a range of error is not stated, the estimate should be rounded in conformity with accepted statistical procedures for dropping nonsignificant digits, as explained in CIA/RR RA (ORR Project 11.3), The Presentation of Statistical Data, 11 March 1955, OFFICIAL USE ONLY.

o. Documentation.

Support all estimates with documentation as to source, methodology, and reliability, as follows:

(1) List the sources from which data for each estimate were taken and, if the estimate varies from that indicated in the sources, state the method used to manipulate the data in order to achieve the final estimate. The documentation of sources should include the author, the title, the edition (if appropriate), the place of publication, the date of publication, the pagination, and the security classification of each source. Use primary sources whenever possible. Statements of methodology should include a step-by-step description of the techniques employed in deriving the finished estimate. The documentation should be so presented that the reader to whom the relevant documents are available can derive the estimate given.

(2) Cite original sources whenever feasible. CIA publications should be cited only when the original work is of such volume or complexity that reference to the original source and methods used would be unduly cumbersome. Under such circumstances the analyst may cite an Economic Intelligence Report (CIA/RR), a Provisional (Economic Intelligence) Report (CIA/RR PR), an (Economic) Intelligence Memorandum (CIA/RR IM), an (Economic Intelligence) Research Aid (CIA/RR RA), or a Current Support Memorandum (CIA/RR CSM), all of which are available in the CIA Library and in vital storage.

VI. Dissemination of Data from the Central Economic Estimates File.

The following instructions will govern the release and dissemination of data from the Central File:

1. CIA estimates will be released to the following:

a. CIA personnel, upon identification of the requesting individual.

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b. Representatives of organizations belonging to the Intelligence Advisory Committee (IAC) and representatives of other organizations, upon clearance through the Assistant Director, ORR (AD/RR); the Chief, ERA (Ch/E); or the Intelligence Information Staff (St/I).

c. Members of the EIC, upon clearance through the Executive Secretary.

d. Representatives of other organizations, upon their request, through the Office of Central Reference (OCR).

The presence of data on the Sino-Soviet Bloc in the Central File will be regarded as constituting concurrence by the originating Branch in the dissemination of the estimates, subject to the limitations imposed at the time the estimates are submitted to the Central File. Whenever data have been in the Central File more than 1 year without being reviewed by the responsible Branch, however, the Branch will be consulted before the dissemination of these data.

2. Estimates made by other intelligence agencies will be released from the Central File only on an ad hoc basis to personnel of CIA for purposes of comparison with estimates made by CIA.

3. Data which are to be quoted as estimates made by CIA or ORR will be appended to a cover sheet stamped with the following warnings:

a. "This material contains information affecting the national defense of the United States within the meaning of the espionage laws, Title 18, USC, Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law."

b. "These estimates, which are contained in the CIA/RR Central Economic Estimates File as of date, are subject to additional specific limitations attached to individual figures. These estimates are tentative and do not necessarily represent the final position of ORR."

4. Other qualifying statements may be made in regard to the validity of the estimates. An example of such a statement might be the following: "The statistical information contained in this report is a first approximation and is subject to revision."

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